

USDA Foreign Agricultural Service

GAIN Report

Global Agricultural Information Network

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Report Highlights:

Poland is the largest food and beverage market in Central and Eastern Europe. With its population of nearly 40 million people, it is an attractive market for U.S. foods, beverages, and agricultural products. Total 2017 food, beverage, and agricultural imports were valued at \$22 billion, of which \$422 million was sourced from the United States. U.S. products have strong potential in Poland's hospitality, restaurant, food processing, and retail sectors, particularly fish and seafood, tree and ground nuts, wine, distilled spirits, dried fruit, and innovative food-processing ingredients. The following report seeks to provide U.S. food and agriculture exporters with the latest information about entering the Polish market.

Market Fact Sheet: Poland

Executive Summary

Poland is the largest market for food and beverages in Central and Eastern Europe. With its population of nearly 40 million people, it offers attractive market opportunities for U.S. food and agricultural products. Poland's 2017 real gross domestic product (GDP) increased by 4.6 percent, driven largely by increasing domestic demand. In 2017, Poland imported upwards of \$22 billion in food, beverage, agricultural, and fish and seafood products. U.S. imports of these products were \$422 million.

Consumer-Oriented Products

Total 2017 Polish imports of consumer-oriented food products were valued at \$11 billion, with over 80 percent originating from other European Union (EU) suppliers. U.S. imports of these products were \$148 million.

Food Processing Industry

Poland has the largest agro-food industry in Central and Eastern Europe and the 7th largest in the EU. Food processing comprises about 24 percent of Poland's total industrial production, includes over 33,000 companies, and generates about six percent of its GDP. The biggest sectors in value terms are meat, dairy, beverages, confectionary baking, and processed horticulture.

Food Service Industry

Poland's hotel, restaurant, and institutional (HRI) sectors generated over \$7 billion in 2017. There are over 70,000 catering businesses. International chains are well established in the quick-service segment. Poland's strategic location in the middle of Europe and growing HRI investments make it an increasingly popular destination for international business conferences, banquets, and trade shows. In 2017 2,540 hotels operated in Poland, offering 130,081 rooms, a three-percent increase over 2016.

Food Retail Industry

The retail sector is diverse and ranges from small family-operated stores, to medium-sized stores, to large distribution centers. Major international retail operators are present on the Polish market including: Tesco, Carrefour, Auchan, Lidl, E. Leclerc, Netto as well as Poland-specific Biedronka.

Quick Facts CY 2017

Food and Agricultural Products Imports: \$22 billion
Food and Agricultural Products Exports: \$32 billion

Consumer-oriented products Imports: \$11 billion
Consumer-oriented products Exports: \$21 billion

List of Top 10 Growth Import Products

1. Wine
2. Sockeye salmon
3. Whiskey
4. Alaska pollock
5. Cranberries
6. Almonds
7. Animal Feed Preparations
8. Soybean Oilcake
9. Pacific salmon
10. Fermented Beverages incl. cider

Top Hotel Chains operating in Poland include: Accor/Orbis, Hilton Hotels & Resorts, Marriott International, Best Western, Louvre Hotels Group

Top Food Service operators in Poland include: McDonald's, KFC, Pizza Hut, Burger King, Starbucks

GDP/Population

Population (millions):	38.5
GDP (billions USD)	471,364
GDP per capita (USD):	12,372

Source: Euromonitor International, Global Trade Atlas, Polish Statistical Office, FAS/Warsaw Estimates

Executive Summary:

SECTION I. MARKET SUMMARY

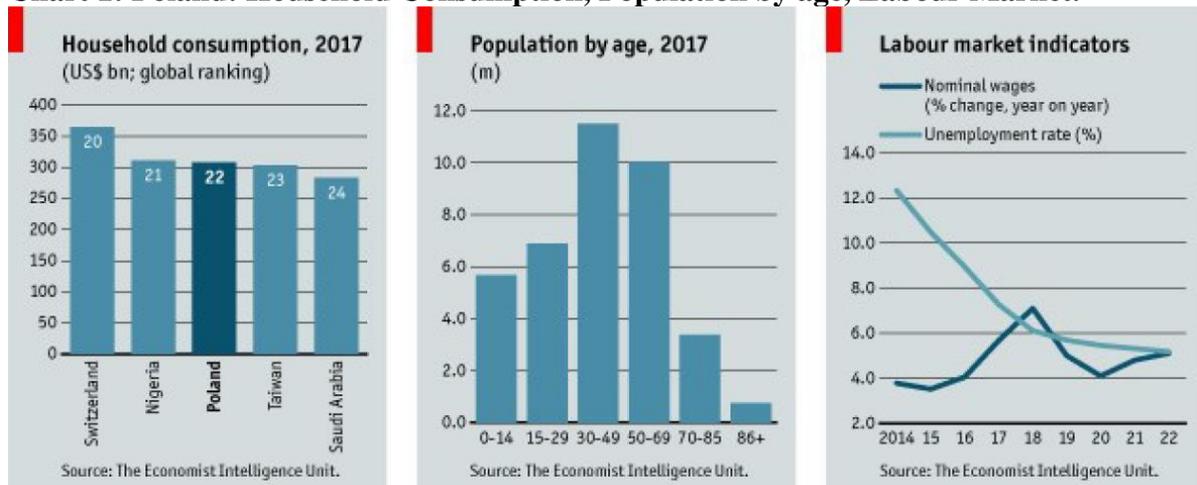
Poland is a modern European country with a population of nearly 40 million people. In 2017 real GDP growth reached 4.6 percent and was driven largely by increasing domestic demand. Real GDP growth in 2018 is expected to reach five percent. During 2011-2017, household incomes increased by 10 percent. Government of Poland (GOP) social-safety net initiatives, such as the Family 500+ Program, also provide additional income to millions of families. An increase in the minimum wage, which grew from 1,850 (\$544) Polish zloty (PLN) in 2016 to PLN 2,000 (\$588) in 2017, also contributed toward rising consumer spending.

Table 1: Basic Economic Indicators

	2018 ^a	2019 ^b	2020 ^b	2021 ^b	2022 ^b	2023 ^b
Real GDP growth	5	3.5	3.0	3.4	3.2	3.1
Unemployment rate	6.1	5.7	5.5	5.3	5.2	5.0
Consumer price inflation	1.8	2.2	1.9	2.0	2.2	2.1
Exchange rate Zł:U.S. \$	3.61	3.58	3.55	3.54	3.46	3.44

Source: Economist Intelligence Unit ^a estimates and ^b forecasts.

Chart 1: Poland: Household Consumption, Population by age, Labour Market.



Source: The Economist Intelligence Unit

Poland is a growing and increasingly attractive market for U.S. food and agricultural products. Total 2017 food, beverage, and agricultural imports were valued at \$22 billion, of which \$422 million were U.S.-origin. U.S. products have strong potential in the Polish HRI, food processing, and retail sectors, particularly fish and seafood, tree and ground nuts, wine, distilled spirits, dried fruit, and innovative food-processing ingredients.

Table 2: Polish 2017 Food, Agricultural and Fish Imports (\$ billion)

Agricultural Total, total imports	22
Agricultural Total, imports from United States	0.4 (2.2 percent)
Intermediate Agricultural Products, total imports	4.7
Intermediate Agricultural Products, imports from United States	0.09 (1.9 percent)
Consumer-Oriented Agricultural Products, total imports	11
Consumer-Oriented Agricultural Products, imports from United States	0.1 (1.2 percent)
Fish Products, total imports	2
Fish Products, imports from United States	0.8 (3.7 percent)

Source: Global Trade Atlas

Polish consumers tend to view the U.S. products positively. U.S. products imported into third-country EU Member States can be transhipped to Poland without additional tariffs or additional regulatory requirements, besides required labeling in the Polish language.

The food processing and catering industries in Poland are increasingly interested in sourcing baking ingredients such as tree nuts, fish and seafood products, dried fruit, flavors and aromas, sweeteners, food additives, food colors, and enzymes. The food-processing industry is developing rapidly and is actively seeking high-quality inputs.

61 percent of Poland's population lives in urban areas and its median age is 38 years. Family sizes are becoming smaller among Poland's 13 million households, with an average household size of three people. The typical Polish family eats together during meal times and tends to buy enough groceries to last for a few days between shopping trips. Over the past five years, per capita consumption of processed foods has remained stable. Per capital consumption of wine, sugar, and horticultural products increased slightly in 2016.

Table 3: Poland - Consumption of Selected Consumer Goods Per Capita

Consumer goods	Unit of measure	2015	2016
Grain of 4 cereals (in terms of processed products)	kg	106	106
Potatoes	kg	101	101
Vegetables	kg	104	105
Fruit	kg	47	48
Meat and edible offal	kg	73.6	75
Animal edible fats	kg	5.5	5.7
Cow's milk	l	205	205.5
Hen eggs	units	155	157
Sugar	kg	44.3	45
Vodkas, liqueurs, other alcoholic beverages in terms of 100%	l	3.2	3.6
Wine and honey wine	l	6.3	7.5
Beer from malt	l	98.9	99.5

Source: Polish Statistical Office Data

During the last twenty years, the Polish food industry was largely restructured and privatized. Large multinational corporations like Coca-Cola, Nestle, Heineken, PepsiCo, Mars, Unilever, and Danone were active have been active since privatization began in the early 1990s. Multinationals now account for over 70 percent of confectionery production, own the largest beer breweries, meat processing plants, beverage bottling plants, and fruit and vegetable processing plants.

Table 4: Polish Market Advantages and Challenges

Advantages	Challenges
Central Europe’s most populous country with a domestic consumer market of nearly 40 million people.	U.S. products face high transportation costs as compared to many European competitors.
A strategic location within a dense, major international market offering re-export potential.	The EU’s complicated system of product registration can delay or even prevent new-to-market products from entering the Polish market.
U.S. product transshipments from other EU ports of entry are efficient and easy.	Poland’s EU membership puts U.S. products at a competitive disadvantage versus duty-free access for the other 27 EU Member States.
Market niches exist in food ingredient categories, particularly dried fruit, nuts, baking mixes, functional foods, and organic components.	Despite rising incomes, Polish consumers are still price sensitive when purchasing foods and beverages in at least 75 percent or more of their retail food purchases.
Polish consumers associate U.S. products with good quality.	Foreign investment in the Polish food processing industry results in local production of many high quality products that were previously imported.
Economic growth has been rising and growing Polish middle class is eager to try new products.	While market access for some U.S. products are not affected by EU trade barriers, some goods (e.g. poultry, beef, fresh horticultural products, etc.) are limited due to EU’s sanitary and phytosanitary (SPS) restrictions.

SECTION II – EXPORTER BUSINESS TIPS

The Polish market offers genuine opportunities for U.S. exporters of consumer-oriented agricultural products. U.S. suppliers of consumer-ready foods and beverages interested in developing their products in the Polish market should make sure that their products meet all Polish and/or EU food laws, including packaging and labeling requirements.

The best way to understand the Polish market is to visit and speak to local stakeholders and prepare an entry strategy for your product(s). USDA’s endorsed EU [trade shows](#) provide an excellent way to meet a wide range of Polish stakeholders in one location. Establishing personal rapport is important when conducting business in Poland and most purchases are made after in-person meetings. English is often used as the language of international commerce, but translation services may also be necessary. It is customary for business people to shake hands upon meeting.

Polish culture is somewhat more formal than American culture and first names tend to be initially avoided in a professional settings. Professional contacts should be initially addressed as *Pan* (Mr.) or

Pani (Mrs.) followed by their surname. Relationships often develop to a first-name basis, but surnames are recommended initially. Business cards are the norm and are generally given to each person at a meeting. U.S. visitors should bring plenty of business cards to a meeting, although cards printed in Polish are not necessary. Standard business attire is recommended, including a jacket and tie for men and a suit or dress for women.

Technical regulations including documentation, SPS requirements, and labeling have changed since Poland's EU-28 accession when Poland amended most of its import requirements to conform to EU regulations. For detailed information on product import certificates please refer to the EU-28 [Food and Agricultural Regulations and Standards \(FAIRS\) Report](#). For details on Poland specific regulations, such as labeling, refer to Poland's [Food and Agricultural Regulations and Standards \(FAIRS\) Report](#). To determine current tariffs and other measures applied to imports into Poland and the EU in general, please refer to the [Online Customs Tariff Database](#).

SECTION III – MARKET SECTOR STRUCTURE AND TRENDS

Wholesale Sector

Poland's wholesale market structure has five categories: national chains, regional chains, regional wholesalers, local wholesalers, and buyer groups (consisting of regional chains and regional wholesalers). National chains are the least numerous and operate several branches throughout Poland with central management. Buyer groups operate in several market segments and are increasing their integration with specific retailers.

Regional chains have recently grown through consolidation and cover specific areas, usually several provinces and mainly supply retailers. Regional wholesalers have a strong presence in local markets and offer a wide range of products and at times a better service than companies operating on nationwide scale. However, local wholesalers are feeling the pressure of larger firms that now primarily concentrate on cash and carry operations.

In Poland, the cash-and-carry format has gained popularity quickly, as small, traditional retailers (of which there are many) appreciate the wide selection of products sold at competitive prices. Indeed, most of the major cash and carry chains target small, traditional retailers, HRI outlets, and institutions. Consolidation of the market is likely to increase during coming years, but new entrants can also be expected. Major players are likely to strengthen their positions, as sales are predicted to rise due to the growing number of outlets. The main companies operating in the cash and carry segment are Makro Cash and Carry Polska SA, Selgros Cash & Carry Sp zoo, and Eurocash SA.

Retail Sector

The distribution system for consumer ready food products, as with all other branches of the Polish economy, is still undergoing a rapid transformation and remains one of the most dynamic and fastest growing areas of the Polish economy. The retail sector is much diversified. It ranges from small family-operated stores, through medium-sized stores to large distribution centers which are easily comparable with those found in Western Europe and the United States. As incomes grow, Poles are becoming more fastidious buyers, which is forcing retailers to pay more attention to quality, customer service, store design, and making the shopping experience more pleasant and convenient.

Foreign investors are attracted to the retail sector. The vast majority of hypermarkets are foreign owned. Traditional small-scale and predominantly Polish-owned shops face steadily decreasing sales. There are approximately 31 shops per 10,000 inhabitants. Large retail chains are projected to control of as much as 70 percent of the Polish market within the next five years. The largest retail chains in Poland are Biedronka Jeronimo Martins Dystrybucja S.A., Tesco Polska Sp.z.o.o., Carrefour Polska Sp.z.o.o., Auchan Polska Sp.z.o.o., Lidl Polska Sp.z.o.o., and Netto Polska Sp.z.o.o. Market analysis also shows that almost 40 percent of confectionary sales occur via distribution by small grocers. The role of private labeling is increasing in Poland as consumers seek value. Their confidence in private label products is growing due to quality improvements made by retailers. Discounters remain the main distribution channel of private label goods.

Industry reports indicate that since 2016, annual e-commerce growth has been 49 percent. Consumers appreciate the convenience of online shopping, lower prices, and home delivery. The expansion of online retailers and increasing number of internet users (in 2017 the share of households equipped with internet access was 70 percent) translates to growing opportunities in this segment. Online sales constitute about four percent of overall retail revenue. Many young people shop online, although many older consumers remain wary of this form of shopping. However, with greater internet familiarity (46 percent of villages' habitants use the internet for shopping) and the price competitiveness of online shopping, Poland's ecommerce is bound to keep growing. The use of smart phones for shopping is also common in Poland and play an important role in informing consumers about products, discounts, and comparing prices.

Food Processing Sector

The food processing sector includes domestic and international companies. There are also a number of small food processing companies operating in the horticulture, meat processing, and baking sectors throughout Poland. The most important food processing sectors are meat, dairy, and alcoholic beverages, followed by confectionery, food concentrates, sugar, horticulture, juices, and non-alcoholic beverages.

The confectionary sector is an example of modernization since the changes in the earlier 1990s. Reportedly, almost 42 percent of Poles consume at least one chocolate bar per day, and 36 percent have one or more wafer bars. Chocolate confectionary is expected to grow by two percent and exceed \$2.0 billion in 2017. More Poles, particularly affluent ones, look for more sophisticated products that offer additional value and high quality. Sugar confectionery fared well even during periods of economic slowdowns, as such products are seen as affordable indulgences. Demand for chocolate may be hampered by 'healthy lifestyle' trends and reduced sugar consumption, although this trend may increase interest in dark chocolate and low-calorie versions of chocolate products.

Poland ranks as an attractive business locations within the EU because of its macroeconomic climate, well-developed financial sector, availability of well-educated, productive and wage competitive labor force. Foreign investment has played a significant role in developing and modernizing the food processing industry. The largest global players include PepsiCo, Nestle, Mondelez, Coca-Cola, Danone, and Mars. American companies are the largest foreign investors in this sector.

Foreign companies which have invested in the Polish food processing sector include:

- **Coca Cola Beverages**
- **Pepsico: production of beverages, snacks, confectionery products**
- **Smithfield: meat processing**
- **Mars Incorporated (Master Foods): production of confectionery products/animal feeds**
- **McDonalds, Burger King: quick service**
- **Cargill Inc: production of animal feeds**
- **H.J. Heinz Company: Processing and preserving of fruit and vegetables**
- **Wrigley: confectionery**

HRI Sector

According to a survey conducted by leading Polish cash and carry operators in 2017, almost 70 percent of Poles do not regularly dine out. This tendency is slowly changing in urban areas where employees work longer hours and eating out has become more common. Polish, Italian, Chinese, Mexican, and Indian restaurants can be found in almost every city. American chains have also started to appear in larger cities like Warsaw. These chains include TGI Friday's, Champions, McDonald's, Pizza Hut, and KFC. In addition, many international hotel chains such as Marriott, Radisson, Sheraton and Hilton are present in Polish cities. Many local entrepreneurs have invested heavily in this sector.

Despite that Poles many still prefer home-made meals, there is gradual consumer acceptance of prepared meals, particularly among younger white-collar workers. Busy lifestyles and careers provide less free time to cook. Consequently, sales by food outlets which offer prepared and low-maintenance meals are increasing. Furthermore, more restaurants and other food retail increasingly offer international cuisines, which are regularly enjoyed by urban and by well-traveled Poles.

Several larger domestic producers have set up separate distribution channels specifically for this sector. While the other sectors of Polish food distribution are already very competitive, the HRI sector still holds excellent opportunity for growth. An HRI-targeted promotion campaign may offer U.S. exporters good opportunities for sales to Poland.

Import of High Value Products

In 2017 Polish imports of consumer oriented food products amounted to \$11 billion with imports worth \$148 million originating from the United States. Post attributes this increase in U.S. imports to higher disposable incomes.

Table 5: Consumer-oriented Food Imports by Value (\$ Millions)

Partner Country	Millions United States Dollars			% Share		
	2015	2016	2017	2015	2016	2017
World	9,777	9,700	11,497	100.00	100.00	100.00
United States	132	133	148	1.35	1.38	1.28

Source: Global Trade Atlas

Domestic producers and exporters from within the EU (mainly Germany, France, Italy, Great Britain, Spain, Finland, and the Netherlands, which make up 50 percent of total Polish food imports) are the

main competitors for American food exporters. Dynamic development of Polish producers and foreign investors in the Polish food industry resulted in an increased variety of high quality product being produced locally. Even some iconic U.S. brands are produced in Poland. It should also be noted that many Polish customers prefer local products over imported ones. Retail and restaurant chains often advertise that they offer Polish vegetables or other products to increase sales.

Table 6: Examples Products Imported to Poland in 2017 by Value (\$ Millions)

Product Category	HS Code	Total Food and Ag Imports (\$ million)	Direct imports from U.S. (\$ million)	U.S. imports in total imports (%)	Main Foreign Competitors	Strengths of Main Foreign Competitors	Advantages and disadvantages of Local Suppliers
Frozen Fish	0303	287	44	16	1.Russia, 2.Norway, 3. The Netherlands, 4. Denmark	1, 2, & 3. Distance, availability and regional products. 4 & 5. Price/quality.	Developed fish processing industry. Poland is world's number one salmon processor.
Fish Fillets	0304	582	35	7	1.Norway, 2.China, 3.Germany, 4.Iceland, 5.Chile, 6.Russia, 7.Denmark	1 & 5 Price/quality. 2, 3, 4, 6, 7 Distance, availability and regional products.	Developed fish processing industry.
Almonds	080212	42	16	38	1.Spain, 2.Germany, 3.Australia	1. Distance, availability and regional products. 2. Traditional re-exporter. 3. Flexibility of suppliers – aiming to gain new market.	No local production due to unfavorable climate conditions.
Dried Grapes, Raisins	080620	25	0.5	2	1.Turkey, 2.Chile, 3.Iran, 4.Germany 5.Uzbekistan	1, 2, 3, & 5 Price/quality. 4. Traditional re-exporter.	No local production due to climatic conditions.
Prunes	081320	21	2.3	11	1.Chile, 2.Germany, 3.Moldova, 4.Serbia, 5.Argentina	1 & 5 Price/quality. 2. Traditional re-exporter. 3 & 4	Local production of different type of prune – not competing with imported varieties.

						availability of regional products.	
Peanuts	1202	89	2.7	3	1.Argentina, 2.Brazil, 3.Nicaragua, 4.China	1, 2, 3, & 4 Price/quality.	No local production due to unfavorable climate conditions.
Cranberries	200893	25	17	68	1.Chile, 2.Germany, 3.Canada	1 & 3 Price/quality. 2. Traditional re-exporter.	Local production of different type of cranberry – not competing with imported varieties.
Wine	2204	291	42	15	1.Italy, 2.Germany, 3.France, 4.Spain	Distance, availability and regional products.	Limited local production due to unfavorable climate conditions.
Alcohol Beverages	2208	287	29	10	1. UK, 2. Finland, 3.Germany	Distance, availability and regional products.	Developed local production industry – e.g. vodka production.

Source: Global Trade Atlas Data

SECTION IV. BEST HIGH-VALUE PRODUCT PROSPECTS

Products in the market that have good sales potential

- Fish and Seafood: salmon, pollock, lobster and other miscellaneous fish products
- Ground and Tree Nuts: almonds, peanuts, pecans, pistachios, walnuts
- Wine and distilled spirits
- Highly processed ingredients: protein concentrates dextrin, peptones, enzymes, lecithin
- Dried & Processed Fruit: cranberries, prunes
- Fruit juice concentrates: Cranberry, prune
- Organic products

Products not present in significant quantities, but which have good sales potential

- Hormone-free beef
- High quality spices and mixes (Tex-Mex)
- Ingredients for the natural and healthy foods industry
- Vegetable fats for bakery industry

Products not present because they face significant boundaries

- Food additives not approved by the European Commission

SECTION V. KEY CONTACTS AND FURTHER INFORMATION

One of the goals of the Foreign Agricultural Service (FAS) office in Warsaw is to assist in market development and promotion of U.S. food and agricultural products in Poland. There are a wide variety of ways in which to approach this market and many key contacts such as importers, distributors and retailers. Suppliers of U.S. food products and ingredients can contact FAS Warsaw if additional information regarding selling U.S. food and beverage products to Poland is required.

There are several U.S. commodity groups, called cooperators/regional groups, who partner with FAS to promote U.S. agricultural products in Poland. Those cooperators who are particularly active in Poland include: Wine Institute (California), U.S. Meat Export Federation, Alaska Seafood Marketing Institute, California Prune Board, American Soybean Association, Food Export USA Northeast, Food Export – Northeast Seafood and Southern United States Trade Association. The California Wine Institute, California Prune Board, NC Sweet Potato Commission and American Soybean Association have representatives based in Warsaw.

For additional information regarding the Polish market please contact:

FAS/Warsaw
American Embassy
Al. Ujazdowskie 29/31
00-540 Warsaw, Poland
Phone number: +48 22 504 23 36
E-mail: AgWarsaw@fas.usda.gov
<https://pl.usembassy.gov/embassy-consulate/embassy/sections-offices/>

For additional information on Polish market please to [FAS/Warsaw GAIN reports](#).

For information on exporting U.S agricultural products to other countries please visit [the Foreign Agricultural Service home page](#)

Appendix A. Additional contacts in Poland:

- [Polish Federation of Food Producers](#)
- [Association of Milk Producers](#)
- [Union of Producers of Meat Industry](#)
- [Association Polish Meat "POLSKIE MIĘSO"](#)

Other leading food processing companies in Poland:

[ARYZTA POLSKA Sp. z o.o.](#)

[COCA COLA HBC Sp. z o.o.](#)

[COCA COLA POLAND SERVICES Sp. z o.o.](#)

[CARGILL POLAND Sp. z o.o.](#)

[DANONE POLSKA Sp. z o.o.](#)

[DEVELEY POLSKA](#)

[FARM FRITES POLAND S.A.](#)

[FERRERO POLSKA Sp. z o.o.](#)

[FRITO LAY POLAND Sp. z o.o.](#)

[„GRANA” Sp. z o.o.](#)

[GRUPA MASPEX Sp. z o.o.. S.K.A.](#)

[HOOP POLSKA Sp. z o.o.](#)

[HERBAPOL LUBLIN S.A.](#)

[JACOBS DOUWE EGBERTS PL Sp. z o.o.](#)

[MONDELEZ POLSKA S.A.](#)

[NESTLE POLSKA S. A.](#)

[NUTRICIA POLSKA Sp. z o.o.](#)

[ORANGINA SCHWEPES POLSKA](#)

[PEPSI-COLA GENERAL BOTTLERS POLAND Sp. z o.o.](#)

[RED BULL Sp. z o.o.](#)

[SM GOSTYŃ](#)

[SÜDZUCKER POLSKA S.A.](#)

[UNILEVER POLSKA S.A.](#)

[WRIGLEY POLAND Sp. z o.o.](#)

[Z.T. BIELMAR Sp. z o.o.](#)

[Z.T. KRUSZWICA S.A.](#)

[ŻYWIEC ZDRÓJ S.A.](#)